



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

August 5, 2004

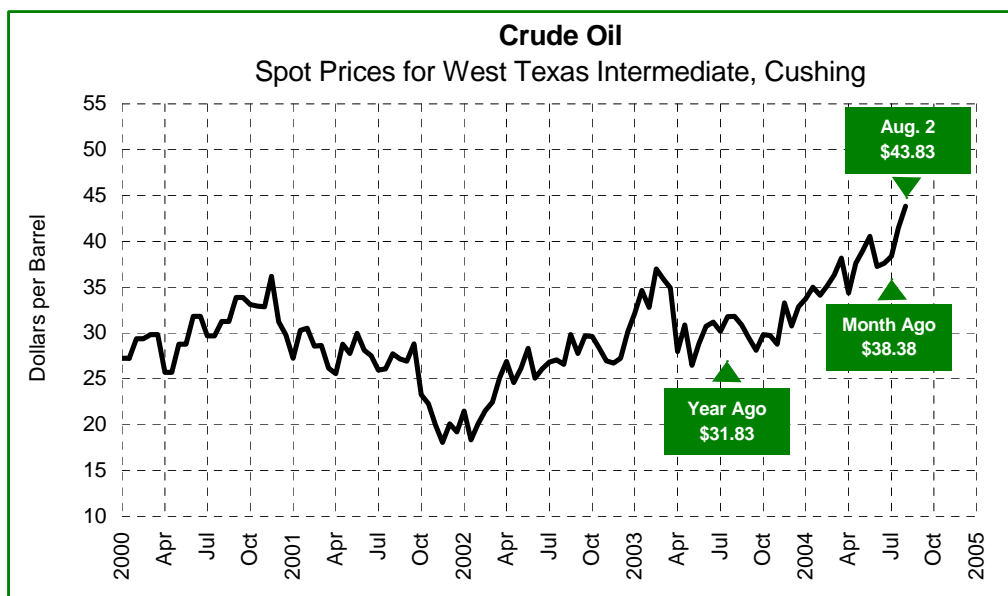
Crude Oil

On August 5, U.S. crude oil prices set a new record price at \$44.41 per barrel amid fears of crude oil disruptions by Russian oil producers.

Crude Oil - Spot Prices (dollars per barrel)

	<u>08-02-04</u>	<u>07-05-04</u>	<u>change</u>	<u>08-04-03</u>	<u>change</u>
WTI	\$43.83	\$38.38	up 14%	\$31.83	up 38%

- Crude oil futures on the NYMEX jumped \$1.58 higher yesterday to \$44.41 per barrel, setting a new record high amid renewed concerns about Russian oil major YUKOS finances and its ability to export oil. Last year at this time, the price of crude oil was \$32.22 per barrel. Crude oil prices moved higher on August 5 as Russia's Justice Ministry revoked YUKOS permission to use bank accounts to finance daily operations, threatening Russian oil exports. Crude oil prices actually fell \$1.32 on Wednesday, August 4 to \$42.83 per barrel after EIA data showed refined products inventories rose last week. Prices tumbled further when OPEC said it was ready to produce spare capacity.
- Crude oil imports fell 1million barrels per day for the week ending July 30. U.S. inventories fell by 1.9-million barrels as refineries increased production of gasoline and distillates. As of July 30, U.S. commercial supplies of crude oil stood at an estimated 298.6 million barrels or 18.4 million barrels higher compared to this time last year and well within the 5-year average for this time of year.



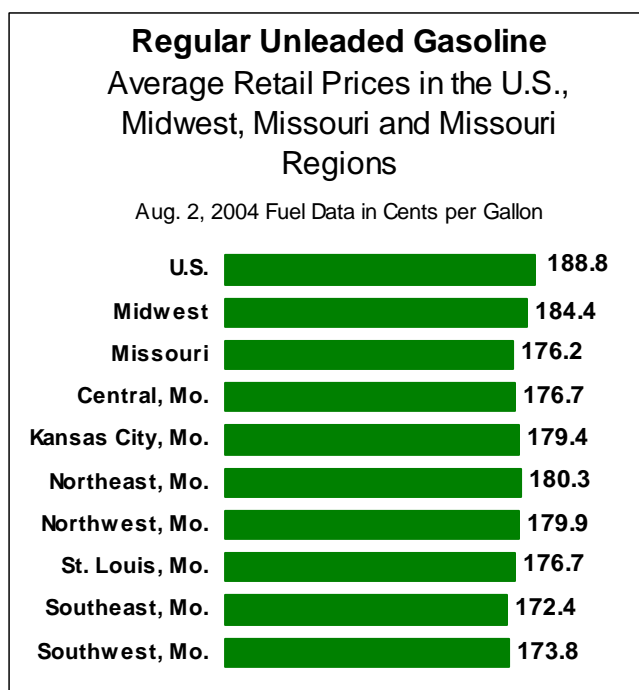
Transportation Fuels

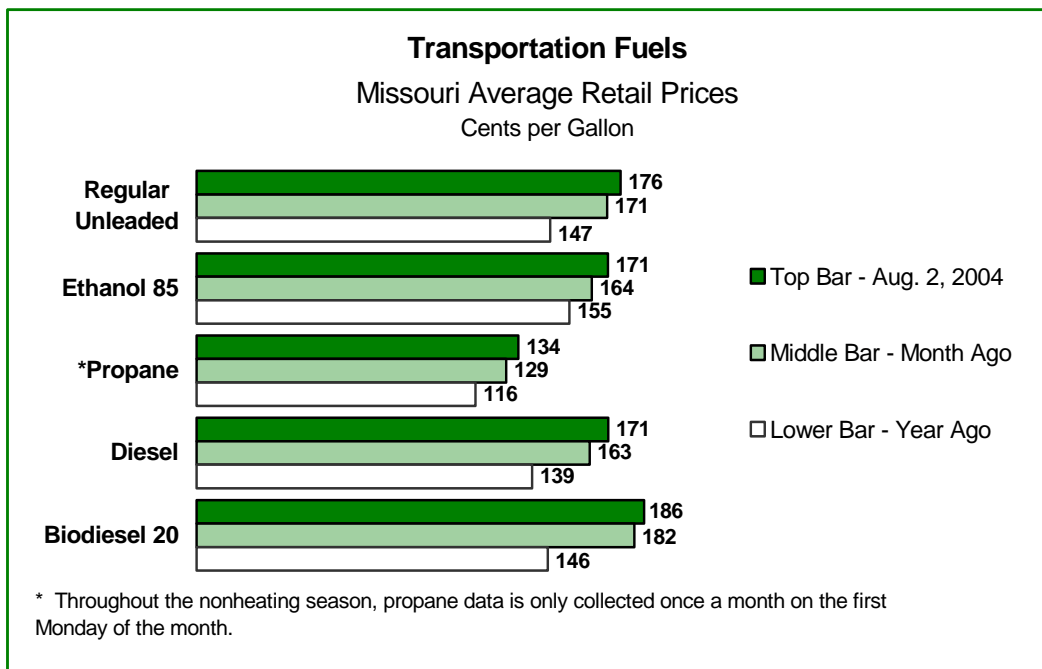
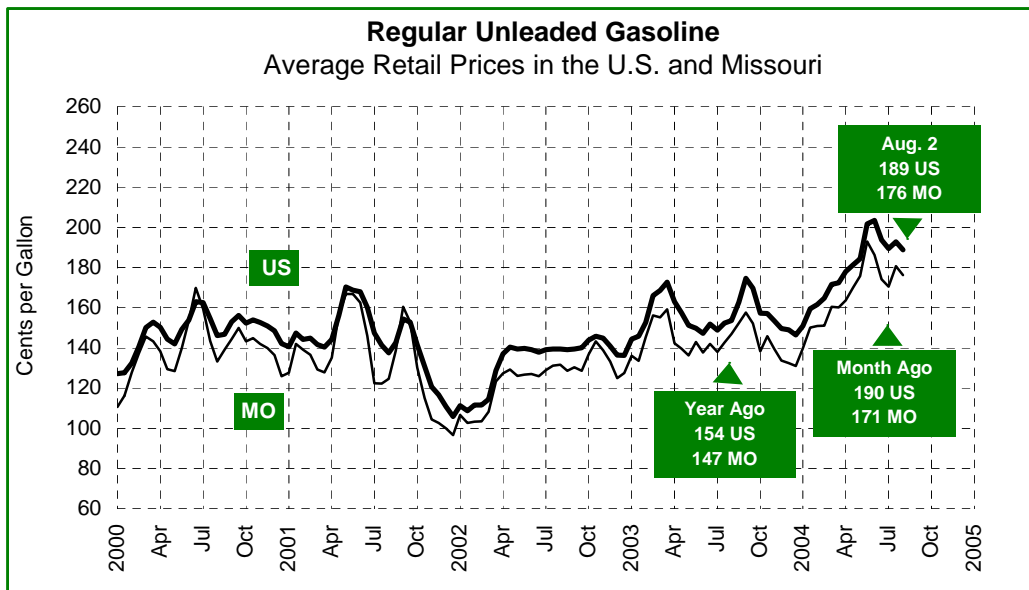
Missouri's average retail price for regular gasoline increased 5 cents per gallon from the previous month to reach \$1.76 cents per gallon as of August 2, about 29 cents higher than this time last year.

<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>08-02-04</u>	<u>07-05-04</u>	<u>change</u>	<u>08-04-03</u>	<u>change</u>
US	189	190	down 1%	154	up 23%
Missouri	176	171	up 3%	147	up 20%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>08-02-04</u>	<u>07-05-04</u>	<u>change</u>	<u>08-04-03</u>	<u>change</u>
Missouri	171	163	up 5%	139	up 23%

- Over the last year, Missouri average retail gasoline prices have increased 20 percent, climbing from \$1.47 per gallon to \$1.76 per gallon. By May 17, Missouri retail gasoline prices were near \$2 per gallon. Through July 5, prices fell to \$1.71 per gallon, but over the past three weeks they have climbed by a little more than 5 cents per gallon. As crude oil prices are approximately 40 percent of the price of retail gasoline, recent increases in crude oil are reflected in retail gasoline prices.
- U.S. gasoline supplies increased for the week ending July 30 with commercial supplies climbing by 2.4 million barrels from the previous week. U.S. supplies are reported at approximately 210 million barrels, well within the 5-year average for this time of year. U.S. gasoline supplies increased due to strong domestic gasoline production that stood at 8.8 million barrels per day for the week ending July 30. Gasoline imports remained strong at 1.1 barrels per day for the same period.





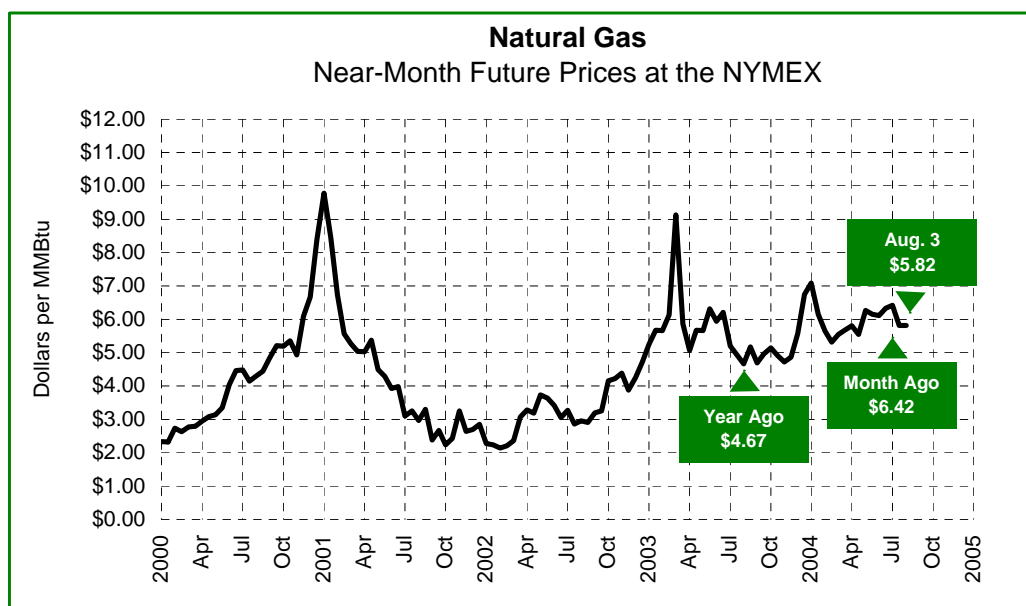
Motor Gasoline - Total Stocks (millions of barrels)					
	07-30-04	07-02-04	change	08-01-03	change
US	210.1	206.1	up 2%	201.8	up 4%

Natural Gas

For the week ending July 30, U.S. commercial supplies of natural gas were 4.3 percent above the 5-year average for this time of year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	08-03-04	07-06-04	change	07-30-03	change
NYMEX	\$5.82	\$6.42	down 9%	\$4.67	up 25%

- Working gas in storage was 2,380 Bcf as of Friday, July 30, 2004, according to the EIA *Weekly Natural Gas Storage Report*. This is 98 Bcf, or about 4.3 percent, higher than the 5-year average for the report week. The implied net injection during the report week was 83 Bcf, which is about 57 percent above the 5-year average net addition of 53 Bcf for the week and 7 Bcf more than the injection of 76 Bcf reported for the same week last year.
- Continued moderate temperatures likely limited air-conditioning demand in many regions of the country. The summer weather for the country as a whole, measured by cooling degree-days, was about 16 percent below normal on average in the Lower 48 States during the week ended July 31. The relatively mild temperatures east of the Rockies likely contributed to the above average injections.



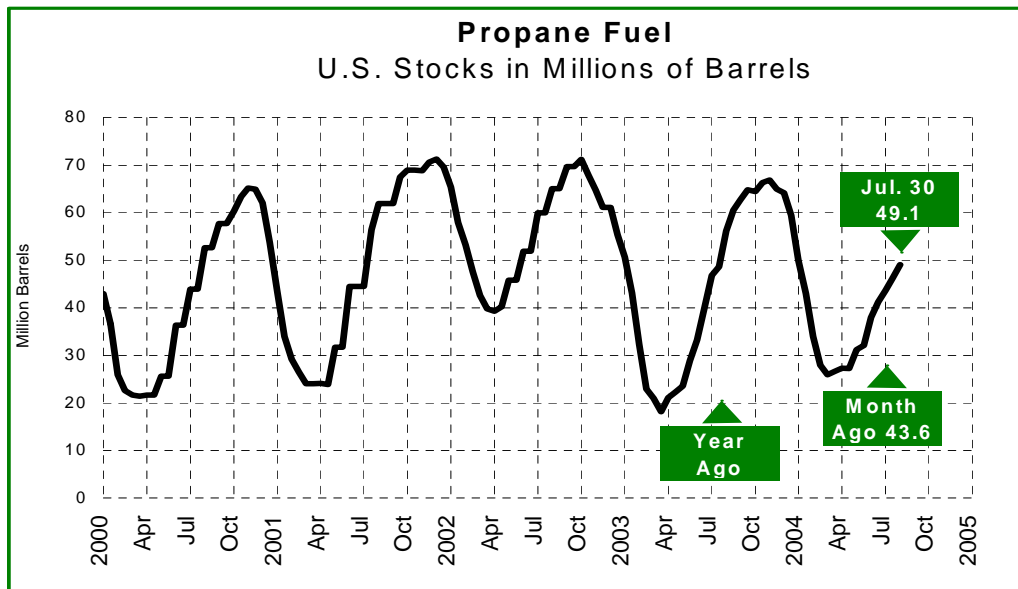
Propane

Midwest propane supplies improved by 0.68 million barrels for the week ending July 30, placing supplies at 20.15 million barrels compared with 17.07 million barrels at this time last year.

Propane - Residential Prices (cents per gallon)					
	08-02-04	07-05-04	change	08-04-03	change
Missouri	120	115	up 5%	105	up 14%

- For the fourth consecutive month, U.S. inventories of propane fell short of reaching the 5-year

average build rate with a monthly gain that totaled about 5.5 million barrels. The monthly build was 1.8 million barrels, or nearly 25 percent below the most recent 5-year average for July. With last week's modest 1.1-million-barrel increase, inventories of propane as of July 30, 2004 settled at an estimated 49.1 million barrels, a level that continues to follow a path slightly below the lower boundary of the average range for this time of year.



Energy Bulletin Update

The Energy Bulletin has a new e-mail advisory service that will include an email and a direct link to the Bulletin on our web page rather than an email attachment. This new service will allow our readers to have easy and timely access to a newly designed Missouri Energy Bulletin that includes easier to read summaries of price and supply information as well as colored charts and graphs. To register for the new distribution service, please visit <http://www.dnr.mo.gov/energy/transportation/e-bulletin.htm>

Missouri Energy Outlook

The Missouri Energy Outlook, an energy resource analysis reviewing prices and availability of energy in Missouri over the summer months was released in June by the Missouri Department of Natural Resources' Energy Center. Copies of the Missouri Energy Outlook are available online at the department's Web site at <http://www.dnr.mo.gov/energy/energyoutlook.pdf>, or may be obtained by calling the Missouri Department of Natural Resources' Energy Center at (573) 751-3443 or the department toll free at (800) 361-4827.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

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